Laboratorios Beta – Gregorio Zidar, Vice President – Argentina



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The vice president of Laboratorios Beta discusses the factors of why his organization is

on the way to consolidating its different business lines and becoming a pure pharmaceutical company.

2014 marks the 74th anniversary of Laboratorios Beta. To what extent is the company today still the same company that was founded in 1940, and how has it developed to the position that it is in today?

The pharmaceutical industry is one of the most developed industries, if not the most, in Argentina. On the national market Laboratorios Beta, which started its activities in Buenos Aires in the 1940s, is a family business that founded its development upon the continuity of its purposes and technological innovation. A long time has passed since the company's first plant on Gallo Street to its present location on San Juan Avenue, to which La Rioja manufacturing plant and another plant devoted to pancreas processing were also added.

From that small family project developed by a small group of collaborators, to the present structure, an integrated organization consisting of approximately 570 persons, there is a big

difference of human and technological resources but the same “idea-force” that inspired its founders.

What have been the main achievements over the last 20 years?

Over the last 20 years great challenges brought about by new technologies and new patent and regulatory guidelines have been encountered. Laboratorios Beta faced the challenges successfully and obtained a good position on the Argentinian pharmaceutical market as a result of the multidisciplinary team’s effort.

Three big entrepreneurial activities, which are the milestones of our history, were the development and production of insulin, the development and production of transdermal administration systems and the biotechnological project. These achievements led Beta to its current position of privilege in different therapeutic areas.

In 1987 Laboratorios Beta launched Betasint, insulin manufactured from bovine and porcine pancreases. The raw material processing plant was installed in Cañada Rosquín (San Martín district, Santa Fe province) and final product manufacturing is located in Buenos Aires.

Laboratorios Beta became the first and only national manufacturer of insulin, keeping this privileged position in the market so far. The developments in this field ended in 1990 with the launching of Betalin, a human insulin from semisynthetic origin.

Later on Beta faced another challenge after beginning with the insulin project, the development of transdermal delivery systems i.e. a sophisticated technology only developed by a few companies worldwide.

Laboratorios Beta incorporated a highly specialized team of professionals which was leaded by a well-known pharmacologist and researcher, Prof. Dr. Francisco Stéfano. The success of this team resulted in the launching of the first four-day estradiol matrix transdermal system at the end of 1989. In order to manufacture this device, Laboratorios Beta installed the first line of production in the hormonal area at La Rioja manufacturing plant. In 1995, Laboratorios Beta succeeded in launching on the market the first worldwide seven-day estradiol transdermal system and in 1999 it launched the first matrix transdermal system combining estradiol and noresthisterone.

Finally, in 1996 Beta started the third above-mentioned entrepreneurial activity, the biotechnological one, through a Research, Development and Transference of Technology Project Plan (PIDT 167) with the Institute of Experimental Biology and Medicine (IBIME).

For this business venture Laboratorios Beta incorporated a research and development team of specialists in biotechnology, thus finishing the development stage of the first project, the manufacture of recombinant insulin. It installed a pilot plant in Buenos Aires, which is equipped with last generation and highest technology.

These three projects reflect the “idea-force” of the company, innovative pharmaceutical technology.

How did Laboratorios Beta perform in 2013 and what is the outlook for 2014?

Unfortunately, we had to discontinue our insulin business at the end of 2013. The competition was very aggressive. We couldn’t compete any more with the technology from MNCs like Novo Nordisk or Sanofi. Nevertheless, back in 2000, we started own biotech business development of insulin, as we anticipated the competition to come. Today, the human insulin recombinant is already finished. Thus, in one year we estimate that we will have aspartic and lantus as a biosimilar.

Speaking about the year 2014, Laboratorios Beta is today in its way to becoming just a pharmaceutical company. Our biotech business is about to be sold to a local Argentina company. Laboratorios Beta is restructuring the company. We want to be a smaller pure pharmaceutical company with better efficiency at the all levels.

Laboratorios Beta has recently consolidated two manufacturing plants into one, with another office working as a management center. What are your ambitions when it comes to manufacturing?

Owing to its modern construction of more than 4,000m^2 and its high generation equipment, it is ranked among the most advanced pharmaceutical plants in the country. Tablets, capsules, creams, gels, transdermal systems and liquids are conditioned in this plant. It has blistering, packaging, transdermal, finished product and bulking areas. Nowadays it has more than 150 persons and an output of 1,200,000 monthly units.

The non-hormonal transdermal area of this plant was audited by regulatory authorities of the European Community (Germany) and transdermal systems are exported to Europe from this area.

What are the pillars on which the company can rely to develop its future successes?

Laboratorios Beta is one of the biggest producers of anti-inflammatory and anti-rheumatic drugs. This position of privilege is given not only by the number of commercialized units but also by the development of innovative drug administration forms.

As we have an outstanding pipeline of products, we want to growth in our two strongest therapeutic areas, in CNS and in the osteoarticular, where Oxa is our top seller. An example of Beta's leadership in anti-inflammatory therapy is its placement on the market of the first diclofenac matrix transdermal administration system.

On top of that, as we own the first and unique Latin American plan of transdermal systems, we want to keep manufacturing as much as possible hormonal and non-hormonal patches.

Lastly, and even more important, we are planning to obtain GMP standards for our plant in La Rioja by the end of 2015. We are going to increase our manufacturing capacity by 50 percent as we consider exports the biggest game changer for our company in the near future, and we are strongly committed to sustainably increasing our international business.

Is Laboratorios Beta already exporting? And which markets are you the most interested in today?

We are exporting much less than what we would like. Having said that, our first objective is to increase our exports to the markets that have less restrictive regulatory requirements. For instance, countries like Bolivia, Chile, Peru or Uruguay. Looking ahead, Eastern Europe and the Middle East are the more attractive markets for our company.

If you had the chance to spend five minutes with the Minister of Health, what would you tell him regarding the interest of the Argentinian pharma industry?

I would talk mainly about the price issue. We have extremely regulated prices in Argentina. In the last seven years, salaries went up in an elevator while the prices took the stairs. We need to have a better balance. Moreover, I would ask as well for better credit lines, cheaper ones, as it is very difficult to get finance from the national banks.

What is the future that you foresee for Laboratorios Beta in the next five years?

First of all, we want to heavily increase our exports by following our slogan, innovative pharmaceutical technology. Then, because of our prestige and most important, because we have the best possible portfolio, why not start dreaming on being part of the top ten laboratories in Argentina. Not maybe in five years, but for sure a goal to accomplish in the coming decade.

What is the key pillar of Laboratorios Beta culture?

Laboratorios Beta is a very big family. We have very little rotation. With more than 50 people who have been working with us more than 20 years. Anyone, who comes to work here, will definitely

build a long and successful career within the company.

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